

Minutes

Task Force on Employee Wellness and Consolidation of Agency Group Insurance

Thursday, July 21, 2011

Council Office Building 5th Floor Front Conference Room

The meeting was called to order by Task Force Chair William (Bill) Mooney at 4:05 p.m.

Comments from Council President Valerie Ervin

The Task Force received comments from Council President Valerie Ervin. Ms. Ervin thanked everyone for taking time from their schedules to attend the meetings and assist the Council with this effort. Ms. Ervin noted that Councilmember George Leventhal brought the idea of this Task Force to the Council. The issues of employee wellness and how to consolidate health care plans are very important to the Council. The Council was told that it needs to begin talking about the difference between containing costs and shifting costs. The Council wants answers about how to promote healthy employees. We want to save and contain costs so that employees are not burdened with paying for the rising cost of health care. The Council is very committed to the work of the Task Force

Comments from Councilmember George Leventhal

Councilmember Leventhal thanked the members of the Task Force and Council President Ervin for laying out the charge to the group. He said that from his point of view it is fairly easy to shift costs to employees or restrict health care choices. We don't need the expertise of the Task Force if all we want to do is shift costs. It is harder to find ways to reduce cost by having healthier employees. There are ways to do this and there are best practices to accomplish this. He said that the Council is not trying to hurt anyone and that what is needed is a real spirit of cooperation. Clearly, some of the best information on these issues is from healthcare providers and the Task Force will need to decide how it wants to hear from vendors. He hopes the Task Force will first report on the wellness issue. Once the Task Force gets into the issue of consolidating health plans there will be issues of turf but we need to get past this. The school system has made a lot of progress in terms of wellness. Consolidating to a single health plan for all employees could help the county in the direction it needs to go and all agencies should resolve to work together. This issue could not be more important and many people will be interested in the work of the Task Force.

Introduction of Task Force Members

Members of the Task Force introduced themselves. Task Force members were asked to briefly give some comments on why they are interested in this subject, what perspective they have, and their expertise.

Introduction of Visitors

Judith Ann and Joe Pauley introduced themselves and shared that they have a book on persuading people to lead healthy lifestyles and provide training to hospitals.

Introduction of Staff

Office of Legislative Oversight and Council central staff introduced themselves and gave some background on their duties.

Comments from Chair/Discussion

The Chair provided some response to the issues raised by Task Force members during the introduction.

Shifting costs is not a productive area for the Task Force to talk about. This is something the Council will deal with if they choose to.

The issue was raised about whether the Task Force would somehow impact the collective bargaining process. The Task Force is here to explore the issues, find out what other people are doing, what are best practices, and describe some places the County might go. But, how the County gets there is not the purview of the Task Force

There is a lot of expertise at this table and people who know other experts in this field. Please let Linda McMillan know if there are people you think we should hear from or material we should have.

At some point, to be productive, the Task Force will have to split into two committees, one on wellness and one on consolidation. In response, Mr. Renne noted that wellness drives utilization and utilization drives costs. Council President Ervin said that the school system has told the Council that the reason they have been able to hold down health care costs is because they have improved wellness.

Mr. Lutes noted that if you look at the diseases that impact populations of employees you can have some short-term impacts. The Task Force needs to understand what analytics have been done in the agencies to see what percent of the budget might have opportunities by impacting certain diseases. No one has fully solved this problem

Mr. McNutt noted that the way to do consolidation is through an RFP process. The UFCW was able to save millions of dollars a couple of years ago this way. But he is concerned that in-house disease management is like the fox guarding the hen-house.

There was a discussion of what data is available to the Task Force. Mr. Girling discussed the last RFP process used by the agencies and noted that most of the big plans in the agencies are self-insured so the savings come from what the vendors pay the doctors. There was discussion of what “consolidation” might mean. There was also discussion of whether there needs to be unbundling of plan components. Mr. Johnstone noted that MCPS has looked at wellness and still 30% of our population is costing 70% of the budget. You have to look at education, compliance, are people taking their medications. We have to look at incentives to find a way to get people to take care of their health. Mr. Rodich agreed that one of the things that must be looked at is incentives to get people to take care of themselves. Mr. Renne further emphasized the need to look at where the money is being spent in each of the agencies and to look at issues such as the use of brand-names and generics and we all need to look at this together is we are going to find savings for employees.

Mr. Mooney shared that this discussion shows how the Task Force might proceed on issues and recommendations. The Task Force might conclude that if the county were to successfully implement X change they could accomplish this..... The Task Force would have identified the issue and the potential outcome and savings. The agencies would implement through their bargaining process.

Housekeeping Items

The following items that were included in the information packet were addressed:

Open meetings rules

Alternates – The Task Force agreed that alternates are welcome but would not be able to vote on recommendations.

Requested preferences on meeting dates and times

There will be a public comment period at each meeting

OLO staff briefly described the information provided in the background packet.

Staff will work to have information posted to a web site.

Meeting adjourned at 5:30 p.m.

Attendees:

Task Force Members:

Sue DeGraba	Montgomery County Public Schools (MCPS)
Karen DeLong	AFSCME Local 2380

Erick Genser	IAFF Local 1664
Wes Girling	Montgomery County Government
Rick Johnstone	MCPS
Paul Heylman	Public Member
Jan Lahr-Prock	Maryland-National Capital Park and Planning Commission
Mark Lutes	Public Member
Thomas McNutt	Public Member
Edye Miller	MCAAP
William Mooney	Public Member (Chair)
Gino Renne	MCGEO Local 1994
David Rodich	SEIU Local 500
Carole Silberhorn	Washington Suburban Sanitary Commission
Arthur Spengler	Public Member
Ulder Tillman	Montgomery County Government
Lynda von Bargaen	Montgomery College

Guests:

Council President Valerie Ervin
 Councilmember George Leventhal
 Sonya Healy, Chief of Staff to Council President Ervin
 Judith Ann Pauley
 Joe Pauley

Staff:

Craig Howard, Office of Legislative Oversight
 Kristen Latham, Office of Legislative Oversight
 Linda McMillan, Council Staff
 Karen Orlansky, Office of Legislative Oversight
 Aron Trombka, Office of Legislative Oversight